United Nations S/2016/497

Security Council

Distr.: General
31 May 2016

Original: English

Fifth report of the Secretary-General pursuant to paragraph 8 of Security Council resolution 1958 (2010)

I. Introduction

1. The present report is submitted pursuant to paragraph 8 of Security Council resolution 1958 (2010), in which the Council requested me to report and provide analysis to the Council on the usage and expenditure of the escrow accounts referenced in paragraphs 4 and 5 of the resolution on an annual basis, with the first report no later than 31 March 2012, and the final report occurring three months after the transfer of any remaining funds retained for the purposes stated in paragraphs 4 and 5 to the Government of Iraq by 31 December 2016, unless otherwise authorized by the Council.

2. In previous years, commencing in 2012, I presented annual reports to you no later than 31 March, with analysis on the usage and expenditure for the preceding year, this being the date for the closing of the yearly United Nations accounts. However, the closing of the 2015 accounts has been delayed and, in consultation with the Board of Auditors, the time limit for the preparation of all financial statements for the year ending 31 December 2015 has been extended to the end of May 2016. Subsequently, and as reflected in my letter dated 22 March 2016 to you, I am submitting the report at this time.

II. Background

3. Pursuant to paragraphs 4 and 5 of resolution 1958 (2010), the Secretariat transferred from the Iraq account: (a) $20 million to the administrative escrow account exclusively for the expenses of the United Nations related to the orderly termination of the residual activities of the oil-for-food programme, including the Organization's support to Member State investigations and Member State proceedings related to the programme, and the expenses of the office of the High-level Coordinator created pursuant to Security Council resolution 1284 (1999); and (b) $131 million to the indemnification escrow account for the indemnification of the Government of Iraq to the United Nations, its representatives, agents and independent contractors.

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III. Administrative escrow account

4. I should like to inform the members of the Security Council that the activities undertaken and funded as outlined in paragraph 4 of resolution 1958 (2010) from 1 January 2015 to 31 December 2015 have led to expenditure amounting to $640,000 for the activities related to the orderly termination of the residual activities of the oil-for-food programme.

IV. Indemnification escrow account

5. I should like to inform the members of the Security Council that no expenditures have been incurred to date in respect of the amount referred to in paragraph 5 of resolution 1958 (2010).

6. Following my last report to the Security Council of 24 March 2015 (S/2015/208), the Secretariat met with the Government of Iraq to negotiate the implementing agreements as provided for in paragraph 7 of resolution 1958 (2010). In this respect, I am pleased to report that substantial progress has been made on outstanding issues. It is my intention to inform the Council of further progress.